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PLANT STATS

copy: Gerry Hawley

Interoffice Memo



LONE STAR INDUSTRIES, INC.

One Greenwich Plaza, Greenwich, Connecticut 06830

Originating Office: Seattle Cement Plant

Date: May 12, 1982

TO: A. C. Imhoff
FROM: T. G. Wells
SUBJECT: Reduction in Plant Operating Costs

As you are aware, several changes have taken place at the Seattle plant since 1979. One of the changes was the transferring and hiring of personnel at the management level and supervisory level. The contributions made by these people, as well as suggestions from the existing personnel, have resulted in significant dollar savings to the company.

Attached is a tabulation of the savings that will be realized in the year 1982 as a result of changes that have been made since 1979.

Tommy

TGW/mme
Attachment

USEPA SF



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Labor Savings: Reduced wage roll by 10 and summer help
by 10 (10 for 3 months - approximately 3).
Grand total of 13 employees @ \$30,000/year = \$ 390,000
19 2 30 111 - 570,000

*Repair & Maintenance Savings: Abolishment of hammerhead
crane saved \$80,000/year in R&M. Abolishment
of overhead crane saved \$80,000/year in R&M. = \$ 160,000
Fixed cost \$0.10 at 1000 units = \$1000

Raw Material Savings: Started using a high alkali silica
(Ravensdale) in place of the low alkali silica
(Wenatchee). \$9/ton @ 10,300 tons = \$92,700.
In 1982, an additional \$50,000 will be realized
by producing low alkali cement when needed
and remainder high alkali cement. = \$ 142,700

Grinding Aid: By placing the purchasing of grinding aid on
a competitive basis, a savings of \$20,000 is
realized. = \$ 20,000

VBLS: By receiving a waste product from Monsanto, income is
generated at an average of \$62,500/year. = \$ 62,500

Fuel Savings: By installing kiln seals, lowering back end
temperatures, reducing moisture content,
better training of operators, etc., the
BTU/ton of clinker has been reduced from
7,500,000 to ~~6,400,000~~, or 1,100,000 BTU/ton
of clinker at a cost of \$2.82/million BTU
and 200,000 tons of clinker. This is a
savings of \$620,000. = \$ 620,000

Power Savings: By observing the power demand and grinding
with one finish mill during a month, a
savings of approximately \$8,000/month is
realized for a period of five months = \$ 40,000

Extra Clinker Production: As a result of winter maintenance
program and improved run factor, clinker
production has been increased from 180,000
tons/year to 200,000 tons/year, or 20,000 ton
increase, at a profit of \$21/ton = \$ 420,000
4. 1982 - 215,000

TOTAL ANNUAL SAVINGS REALIZED IN 1982 OVER 1979 \$ 1,855,200

*Should be noted that as a result of eliminating the use of the hammerhead
crane and the overhead crane, a front end loader was purchased which requires
\$65,000 per year to maintain.
Sherry Thomas *Charging 100% replacement*

<u>JOB DESCRIPTION</u>	<u>MAY - 1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>
Hammerhead Crane Operator	0	0	3	3
Crane Helper	0	0	3	3
Raw Mill Operator	4	4	4	4
Slurry Pump	4	4	4	4
Crusher Tender	4	4	4	4
Kiln System Tender	4	0	0	0
Kiln Oiler) Combined to	0	4	4	4
Coal Tender) Kiln System Tender	0	4	4	4
Dust Tender	2	2	2	2
Kiln Burner	4	4	4	4
Overhead Crane Operator	0	0	3	3
Mill Control	3	3	4	4
Finish Mill Tender	3	3	4	4
Clinker Tender	1	1	1	1
Front End Loader	5	5	1	1
Utility Man	1	1	1	1
Packers	6	6	6	7
Bulk Loaders	5	6	6	6
Laboratory	8	8	8	8
Repair	16	14	14	14
Electrical	5	7	7	6
Assigned Yard (Carpenter, Painter, etc.)	3	4	5	5
Unassigned Yard	<u>17</u>	<u>11</u>	<u>12</u>	<u>13</u>
TOTAL NUMBER OF MEN	95	95	104	105
SUMMER HIRES	0	11	9	10